

Preparing Your Business for Sale: Tips for Maximising Value and Ensuring a Smooth Transition



Selling your business is a major milestone and requires careful planning to maximise value and ensure a smooth transition. Whether you're retiring or moving on to new ventures - from our experience, these essential tips can help you prepare effectively.

Strategic Preparation: Start by understanding your business's value. Common valuation methods include EBITDA multiples, asset-based valuation, and industry comparables. A professional broker can provide an accurate appraisal.

Ensure your financials are clean and up to date, with at least three years of records. Resolve any legal or compliance issues and confirm that key contracts and intellectual property are transferable.

Operational Independence and Succession: A business that runs without the owner is more attractive. Document processes, empower staff, and reduce reliance on your daily involvement. If succession is needed, identify and prepare a successor early.

Confidential Marketing and Buyer Screening: Maintain confidentiality to avoid disrupting staff or customers. Use blind ads and NDAs. Brokers can help identify and screen serious buyers - whether individuals, competitors or investors.

Sales Agreement and Negotiation: The Sale and Purchase Agreement (SPA) should clearly outline included assets, liabilities, non-compete clauses, and transition plans. Negotiating favorable terms is just as important as the sale price.

Closing and Tax Efficiency: Buyers will conduct due diligence to verify financials and compliance. Once conditions like lease or finance approvals are met, the deal becomes unconditional. New Zealand doesn't have a general capital gains tax, but some sales may trigger taxable income. If sold as a going concern, the sale may be zero-rated for GST. We recommend consulting an accountant for tax-efficient structuring.

Transition and Legacy: Plan for a smooth handover, including training the new owner and finalising obligations. Ensure you retain documentation for future legal or tax needs.

Final Thought: Selling your business is more than a transaction - it's a legacy decision. With expert guidance and preparation, you can exit confidently and profitably. We are seeing higher than usual demand from buyers, so if you're thinking about selling, either now or in the future, feel free to reach out to us for expert advice or business appraisal.

Current Listings



Work from Home

\$180,000

Work from Home - Own your Own Business for \$180K



Auckland

\$325,000

Established Dental Practice with On-Site Denture Services



Rotorua

\$349,000

Centrally located motel in the heart of Rotorua



Auckland

\$195,000

Fully licensed food production facility in central-eastern suburb



Christchurch

\$355,000 + Stock

Inner city Tavern with strong gaming and beverage revenue



Auckland

\$1,650,000

A rare opportunity to acquire Amazing Home Staging

Kauri Business Sales Team



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Khushdeep Sharma

Director

022 373 8555



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Graeme Fraser

Director

021 834 330



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Steve Alesech

Business Broker

021 949 009



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Jane Gu

Business Broker

022 028 0891



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Business Broker

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